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January 5, 2012

Jocelyn G. Boyd, Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Piedmont Natural Gas Company, Inc., Request for Approval of Reallocation of Energy Efficiency Program Funds
Docket No: 2009-411-G

Dear Ms. Boyd:

The Office of Regulatory Staff ("ORS") has reviewed and discussed with Piedmont Natural Gas Company, Inc. ("Piedmont" or "the Company") the above referenced request dated January 3, 2012. The Company requests to reallocate the unexpended funds from the second year (April 2011-March 2012) in the Residential Low-Income Energy Efficiency Program and the Customer Education Program to the High Efficiency Equipment Rebate Program.

As stated in the filing, as of November 15, 2011, there was approximately \$50,000 in unexpended funds available in the Residential Low-Income Energy Efficiency Program and \$38,000 in unexpended funds available in the Customer Education Program.

Due to the accelerated pace that the High Efficiency Equipment Rebate Program funding has been depleted, the Company now requests a reallocation of the second program year unexpended funds as described above is warranted.

Based upon our review of the material filed and further investigation by ORS into this matter, we have no objection to Piedmont's request for the reallocation of the second year unexpended funds from the Residential Low-Income Energy Efficiency and Customer Education Programs. Thank you for the opportunity to provide our comments in this matter.

Sincerely,

John W. Flitter

JWF/swh

cc: Dan F. Arnett
Shannon Bowyer Hudson, Esquire
Jeffrey M. Nelson, Esquire
David Carpenter
Pia Powers
James H. Jeffries, IV, Esquire
Scott M. Tyler, Esquire
Jane Lewis-Raymond, Esquire